

ORDER NO. 1996

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Mark Acton, Vice Chairman; and
Robert G. Taub

Competitive Product Price Changes
Rates of General Applicability

Docket No. CP2014-27

NOTICE AND ORDER CONCERNING CHANGES IN RATES OF
GENERAL APPLICABILITY FOR STANDARD POST

(Issued February 19, 2014)

On February 14, 2014, the Postal Service filed notice with the Commission of changes in rates of general applicability for the competitive Standard Post product.¹ Attached to the Notice is Governors' Decision No. 14-01, which establishes the changes.² The changes are scheduled to take effect on March 20, 2014. Notice at 1.

¹ Notice of the United States Postal Service of Changes in Rates of General Applicability for a Competitive Product, Established in Governors' Decision No. 14-1, February 14, 2014 (Notice). Pursuant to 39 U.S.C. 3632(b)(2), the Postal Service is obligated to publish the Governors' Decision and record of proceedings in the *Federal Register* at least 30 days before the effective date of the new rates or classes.

² Decision of the Governors of the United States Postal Service on Changes in Rate and Class of General Applicability for Standard Post (Governors' Decision No. 14-01), February 14, 2014 (Governors' Decision).

The changes introduce a new price category – Limited Overland Routes – for the Standard Post product.³ The new price category applies to pieces delivered to or from intra-Alaska ZIP Codes not connected by overland routes. Governors' Decision at 1. The Governors' Decision indicates that Standard Post classification and price changes implemented on January 26, 2014 have had a disproportionate impact on certain intra-Alaska Standard Post users, who typically send heavier than average Standard Post pieces within Zones 1-5. *Id.*

The Postal Service indicates that the price changes would set the prices for the Limited Overland Routes category at prices equal to those in effect last year. Notice at 1. It states that the new price category will only apply to a small, discrete number of designated ZIP Codes with low volume. *Id.*

Notice. The Commission establishes Docket No. CP2014-27 to consider the Postal Service's Notice. Interested persons may express views and offer comments on whether the planned changes are consistent with 39 U.S.C. 3632, 3633, and 3642, 39 CFR part 3015, and 39 CFR 3020 subparts B and E. Comments are due no later than March 5, 2014.

Pursuant to 39 U.S.C. 505, Pamela A. Thompson is appointed to serve as Public Representative to represent the interests of the general public in this docket.

Additional Information. The Postal Service indicates that it has determined that the Standard Post product as a whole will continue to cover its costs and make an appropriate contribution to institutional costs. *Id.* at 2. The Postal Service is directed to provide revenue and attributable cost data for the 12-month period from the effective date of the proposed rates (March 20, 2014) to demonstrate that the Standard Post product complies with 39 U.S.C. 3633(a)(2). The Postal Service is also directed to confirm that following the price change, competitive products in total will be in

³ Governors' Decision at 1. The proposed changes to the Mail Classification Schedule also include a minor clarifying change to a footnote in the Standard Post price table. Proposed Changes to Mail Classification Schedule (appended to Notice), February 14, 2014, at 4.

compliance with 39 U.S.C. 3633(a)(1) and (3). The Postal Service is directed to provide this additional information by February 26, 2014.

It is ordered:

1. The Commission establishes Docket No. CP2014-27 to consider the matters raised in this docket.
2. The Commission appoints Pamela A. Thompson to serve as Public Representative to represent the interests of the general public in this proceeding.
3. The additional information requested in this Order is due no later than February 26, 2014.
4. Comments on the Notice are due no later than March 5, 2014.
5. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Shoshana M. Grove
Secretary